



**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
MUNICIPAL YEAR 2021/22**

SCRUTINY RESEARCH REPORT

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1. RESEARCH REQUEST

To research the powers held by the Local Authority when granting planning permission to developers throughout the County Borough and, in particular, the powers held by the Local Authority in respect of ‘land banking’.

2. RESEARCH INFORMATION

- 2.1 The granting of planning permission is, in virtually all cases, subject to the imposition of a time limiting condition - i.e. a time limit by which the applicant/developer must implement their permission. With a full planning permission this period is 5 years. However, it is perfectly in order for an applicant to submit an application (under s.73 of 'the Act') to the local planning authority (LPA) seeking to vary the condition to enable a further period for implementation. If there has been no change in material planning circumstances since the initial granting of consent then it is likely this would be considered positively.
- 2.2 Planning is a devolved function and the Welsh Planning system thereby operates separately from the English system (albeit in many respects they are virtually the same). Certainly, the U.K. Government appears to be turning its attention yet again to the supposed problem of ‘land banking’ and it has been widely reported that the LGA recently called for powers to charge developers council tax on unbuilt homes, and the Housing Minister confirmed that he is planning to take action to ensure developers build out at pace.
- 2.3 The issue of land banking (which has been the subject of multiple investigations over the years - probably the most recent Government report/inquiry on the matter was undertaken by [Sir Oliver Letwin in 2018](#)) is an issue that has been disputed by the Government/LA's and the

development industry for many years. Government and local authorities suggest that developers do land bank. Developers usually claim that the problem in the delivery of new homes is not them 'land banking' but a shortage of supply of sites and/or delays in the planning system.

2.4 The industry will tend to suggest that the majority of consented units will be on sites that are under construction but not yet fully built out and that these sites can take several years to build out. Further, they will point to the fact that their delivery rates are limited by issues, such as what the local market can absorb. The development industry has traditionally argued that if the Government wants to increase housebuilding levels then a levy to reduce 'land banking' is not answer. Instead, they argue that Government/LA's should ensure there is a sufficient pipeline of development land, especially in areas where demand is the highest, and that local authority planning departments have the resources to deal with larger and more complex planning applications.

2.5 In June 2021, the Housing, Communities and Local Government Committee published a report which suggested that local authorities (in England) should also be granted more powers to act where developers are too slow in completing sites they have planning permission for and suggested that councils should be able to levy full council tax charges on incomplete properties if sufficient progress has not been made within 36 months.

2.6 It is important to note that any changes implemented (as outlined above) would relate to England only. However, it is likely that any change in England may well also be implemented in Wales if it is considered to be successful.

2.7 RCT consent/delivery figures are noted in the table below:

Year	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Total Approvals	-	921	969	1784	2264	569	1153	514	519
Total Completions	357	414	534	553	569	716	552	386	452

2.8 These figures are made up of a vast number of applications from over many years, from one house to 1,000 units. Some renewal applications, some outline, some full applications – several on the same sites. Some indeed have 10 -15 year plus history. Further information is available in the JHLA.

3. **CONCLUSION**

Looking forward to the Revised LDP and the current allocations, anything the Local Authority looks to re-allocate would be comprehensively interrogated to analyse why they, or any permissions on them haven't come forward. If there are no obvious constraints on the site or clear reason for the delay in the site being brought forward, and it seems people are just 'land banking', the Local Authority may see it fit not to reallocate as sites have to be deliverable. The Local Authority would not seek to allocate a site which has deliverability issues.

LOCAL GOVERNMENT ACT, 1972

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LIST OF BACKGROUND PAPERS

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**REPORT OF THE SERVICE DIRECTOR DEMOCRATIC SERVICES &
COMMUNICATIONS**

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****information and any stats included were accurate at the time of populating this document**.**